



Insurance Department

State of Utah

GARY R. HERBERT

Governor

GREG BELL

Lieutenant Governor

TODD E. KISER

Acting Commissioner

State of Utah Title and Escrow Commission Meeting Meeting Information

Date: January 14, 2013 **Time:** 9:00 AM **Place:** East Bldg, Spruce Room

MEMBERS

(Attendees=x)

COMMISSION MEMBERS

xChair, Larry Turner Blake, *Washington Cnty* Jerry M. Houghton, *Tooele Cnty*
xCo-Chair, Kirk Donald Smith, *Weber Cnty* Dirk Keyes, *Public Member*
Cortlund G. Ashton, *Salt Lake Cnty*

DEPARTMENT STAFF

Perri Babalis, *AG Counsel* Brett Barratt, *Deputy Comm.* Mark Kleinfeld, *ALJ*
Suzette Green-Wright, *MC Dir.* Tammy Greening, *Examiner* Adam Martin, *Examiner*
Jilene Whitby, *PIO Recorder*

PUBIC

David Moore	Andrew Arnott	Scott Sabey
Peter Stevens	Wayne Kidd	M. Gale Lemmon
Blake Heiner	Lincoln Scoffield	Mike Smith
Carol Yamamoto	James Seamen	Jeff Wiener

MINUTES

General Session: (Open to the Public)

- **Welcome / Larry Blake, Chair**
At 9:09 AM Larry began the meeting noting that Kirk was on his way.
- **Adopt Minutes of Previous Meeting**
Blake expressed concern with the wording regarding the second bullet of the Stip and Order on Absolute Title Insurance Agency. The issue is the discrepancy between the five year probation on Bridgette's license and the two year period before the company could re-hire Bridgette. Why not five? He wanted to understand this better. Dirk made the **motion** to approve the minutes, Jerry seconded it [Kirk arrived] and the vote was unanimous.
- **Reports**
 - **Concur with Licensee Report / Tammy**
Jerry made a **motion** to concur, Dirk seconded it and the vote was unanimous.
 - **Concur with Complaint & Enforcement Reports / Suzette**
Suzette reported that they had no outstanding cases. Jerry made a **motion** to concur, Kirk seconded it, vote was unanimous
 - **Request for Dual Licensee Expedited Request:** None
 - **Request for Attorney Exemption:** None
- **Administrative Proceedings Action / ALJ**
 - **Stipulation & Order: Absolute Title Insurance Agency**
 - Mr. Kleinfeld noted that counsel for both parties was in attendance. He said that the standard rule of thumb is that after five years an individual can re-apply for a license. The two year limitation has to do with the department's limitation on the amount of time they can restrict an agency from employing someone. Bridgette cannot do title

work. She will be restricted to business affairs only. Since this has not been approved Mark absented himself during the discussion.

- Gale Lemmon took the floor stating that he normally does not attend such meetings but because the Commission had questions he and Mr. Sabey were there to answer them if they could. Mr. Lemmon then read five questions the Commission had in the last meeting and then provided answers.

1. Are the fees being charged less than the agency's approved fees?

In one point they were but others not.

2. Who okayed the title?

There was an unsigned jacket.

3. Can Bridgette continue to do mobile notary business without a license?

This is not within the purview of the Department and so is not covered in the stipulation.

4. In regards to a husband and wife team, how can one have a license and the other one not?

The wife ran the company. She was the one involved in the forgery. The husband was not there very much so her license and that of the agency were put on probation. The husband is the owner of the agency.

5. Is the fact that the respondent has outstanding civil judgments prior to the renewal a violation of having a license?

This is a basis upon which a license may be revoked or denied. The requirement that all outstanding judgments be paid before a license is renewed was made a part of the probation.

- Mr. Sabey noted that each issue in the Stip was discussed in depth and finally agreed upon by both sides.

- Larry asked if anyone would let the state agency over notaries know about this administrative action. Tammy said that once the Commission had made their decision it would be forwarded on to them.

- Kirk made a **motion** to approve the original Stip, Jerry seconded it and the vote was unanimous.

- Mark returned to have the Stip signed.

- **Request for a Hearing:** None
- **Order on Motion:** None
- **Informal Adjudicative Proceeding & Order:** None
- **Formal Adjudicative Proceeding:** None

- **Old Business**

- **Proposed Rule R592-17, "Minimum Mandatory Search for a Real Estate Transaction"**

ULTA sent the Commission their proposed changes to the rule. The Commission wants to change the law giving the Commission the option to write a rule verses being required to write one. Larry was concerned that ULTA had taken the piece about minimum search standards out of the rule and asked James to request that they put it back in. Jerry asked if he could sit in on the ULTA conference call today about this. Jerry thought they should rely on in-house minimum search standards. Jeff said he had sent ULTA the language on minimum search standards. He did not know the results. Kirk made a **motion** to table this topic until next month so they could receive feedback from ULTA, Jerry seconded it and the vote was unanimous.

- **New Business**

- **Discuss sending R592-16, Agency Supervision by Qualifying Licensee, out for hearing & public comment.**

Larry noted that ULTA was creating legislation regarding this issue. Dirk made a **motion**

to table this issue until next month. James said it was still a work in progress. The bill has not been released yet. Comments can be sent to ULTA. Kirk seconded the motion and the vote was unanimous.

- **Title Insurance Recovery, Education, and Research Fund Act Updates & Discussion**
/ Perri

Perri updated the Commission on a case filed about two years ago against the Recovery Fund. The case involved fraud against an individual. A complaint was filed against a title company that went out of business when the case was filed. Two years later the judge has allowed the plaintiff to withdraw the maximum \$50,000 from the fund or \$15,000 for each transaction. The agency had to money to pay the complaint. Perry said there was \$300,000 in the fund. Chapter 41 of 31A regulates the fund. Money in the fund comes from the annual assessments. No funds are held in trust for a specific title agency. Pete said the legislation creating this fund was not done by the Commission.

- **Other Business**

- Larry asked if a Commission member could attend ULTA's legislative meeting. Larry, Jerry and Kirk would like to attend. James will have ULTA invite the Commission.

Executive Session Not needed

Adjourn: **Motion** by Dirk to adjourn, seconded by Jerry.

- **Next Meeting:** February 11, Spruce Room

2013 Meeting Schedule in Spruce Room

(2nd Monday except on holidays, then 3rd Monday)

Jan 14	Feb 11	Mar 11	Apr 8	May 13	June 10
July 8	Aug 12	Sep 9	Oct 21	Nov 18	Dec 9